S-0174.2		
0 0 1 1 1 2		

SENATE BILL 5879

State of Washington

57th Legislature

2001 Regular Session

By Senator Prentice

Read first time 02/06/2001. Referred to Committee on Labor, Commerce & Financial Institutions.

- 1 AN ACT Relating to regulating fire alarm systems; adding a new
- 2 chapter to Title 19 RCW; and prescribing penalties.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. DEFINITIONS. The following words or terms shall have the meanings indicated unless the context clearly indicates otherwise.
- 7 (1) "Committee" means the fire alarm advisory committee. The advisory committee consists of eight members and shall be advisory to 8 the state director of fire protection. Membership is as follows: 9 10 members must be fire alarm contractors, one member must be a fire alarm certificate of competency member, one member must be a certified fire 11 alarm technician, one member must be an active member of the Washington 12 13 state association of fire chiefs, one member must be an active member 14 of the Washington state fire marshals association, one member must be
- 15 a building or electrical code official who is professionally competent
- 16 in fire alarm system plan review and inspection, and one member must be
- 17 a member of the public not associated with the fire alarm industry.
- 18 The state director of fire protection is a nonvoting member.

p. 1 SB 5879

- 1 (2) "Director of fire protection" means the officer appointed under 2 RCW 43.43.938.
- 3 (3) "Fire alarm certificate of competency holder" or "certificate
 4 of competency holder" means an individual who holds a national
 5 institute for certification in engineering technologies level 2 fire
 6 alarm technician classification certification, or has satisfactorily
 7 met the qualifications and has received a certificate of competency
 8 from the state director of fire protection under this chapter.
- 9 (4) "Fire alarm system contractor" means a person or organization 10 that offers to undertake the preparation of technical drawings, design, 11 sale, construction, addition, alteration, modification, repair, test, 12 inspection, service, or maintenance of a fire alarm system, its parts 13 or related equipment, or any part of such a system.
- (5) "Fire alarm system technician" means a person who has met the qualification requirements adopted by rule, and has been certified to engage in installing, connecting, altering, repairing, or adding to a fire alarm system or a journeyman electrician who has successfully completed the fire alarm training element.
 - (6) "Fire alarm system trainee" means a person who is learning the fire alarm installation trade and may work in the fire alarm trade if under the direct supervision of a certified fire alarm system technician. All individuals learning the fire alarm trade shall obtain a fire alarm training certificate from the state director of fire protection. An annual fee shall be charged. The amount of the fee shall be set by rule. The holder of the fire alarm training certificate shall renew the certificate annually. At the time of renewal, the holder shall provide the state director of fire protection with an accurate list of the training certificate holder's employers in the fire alarm industry for the previous year, and the number of hours worked for each employer. Any person who has been issued a fire alarm training certificate, may work under the direct supervision and control of a fire alarm system technician. Supervision shall consist of the person being on the same job site. A certified fire alarm system technician shall be on the same job as the trainee for one hundred percent of each working day. The ratio of fire alarm trainees to certified fire alarm system technicians on a job site shall not be more than two trainees to each fire alarm system technician. The fire alarm trainee shall at all times carry an identification card containing identifying information as prescribed by the state director of fire

19

20

21

22

2324

25

26

27

28

2930

31

32

33

3435

3637

38 39 protection and shall be produced on demand by a state, city, or county official. The state director of fire protection shall supply this card at a fee which shall be related to the cost of producing the card.

2

3 4

5

6 7

8

9

10

11

12 13

14 15

3334

35

3637

38 39

- (7) "Fire alarm system" means a system or portion of a combination system consisting of components and circuits arranged to monitor and annunciate the status of fire alarm or supervisory signal-initiating devices and to initiate the appropriate response to those signals as set forth in national fire protection association 72 1996.
- (8) "Fire alarm system contractor's license" means the license issued by the state director of fire protection to a fire alarm system contractor, upon an application being approved, the fee being paid, the required bond being secured, and the satisfactory completion of the requirements of this chapter. The license shall be issued in the name of the fire alarm system contractor with the name or names of the certificate of competency holder noted thereon.
- 16 (9) "General electrical contractor license" means the license
 17 issued under RCW 19.28.041 to grant the holder the right to engage in,
 18 conduct, or carry on the business of installing or maintaining wires or
 19 equipment to carry electric current, and installing or maintaining
 20 equipment, or installing or maintaining material to fasten or insulate
 21 such wires or equipment to be operated by electric current.
- 22 (10) "Inspection" means a visual examination of a fire alarm system 23 or portion of the system to verify that the system appears to be in 24 operating condition and is free from physical damage and complies with 25 the applicable statutes and regulations adopted by the state director 26 of fire protection.
- 27 (11) "Installation" means the initial placement of fire alarm 28 system equipment or the extension, modification, or alteration of 29 equipment or software after the initial placement.
- 30 (12) "Journeyman electrician" means a person who has been issued a 31 journeyman electrician certificate of competency by the state 32 department of labor and industries.
 - (13) "Limited fire alarm certificate of competency holder" means a person with limited certification restricted to working on premises or that part of the premises, actually owned or leased, and occupied by, the limited certificate holder's employer. A limited fire alarm certificate of competency holder is limited to working on the properties owned or leased by the limited fire alarm certificate of competency holder's employer, to the level of competence, as certified

p. 3 SB 5879

- $1\,\,$ and documented to the fire protection bureau by the limited certificate
- 2 holder's employer.
- 3 (14) "Maintenance" means to maintain in the condition of repair 4 that provides performance as originally planned.
- 5 (15) "Organization" means a corporation, partnership, firm, or 6 other business association; governmental entity; or any other legal or 7 commercial entity.
- 8 (16) "Person" means a natural person, including an owner, manager, 9 partner, officer, employee, or occupant.
- 10 (17) "Service" means to repair.
- 11 (18) "Specialty electrical contractor license" means the license
 12 issued under RCW 19.28.041 to grant the holder a limited right to
 13 engage in, conduct, or carry on the business of installing or
 14 maintaining wires or equipment to carry electrical current, and
 15 installing or maintaining equipment, or installing or maintaining
 16 material to fasten or insulate such wires or equipment to be operated
 17 by electric current as expressly allowed by the license.
- 18 (18) "Testing" means periodic inspections and tests required to 19 keep the fire alarm system and its component parts in an operative 20 condition at all times as set forth in national fire protection 21 association 72 - 1996.
- Sec. 2. LOCAL GOVERNMENT LICENSES AND PERMIT 22 NEW SECTION. 23 REQUIREMENTS. A municipality or county may not enact an order, 24 ordinance, rule, or regulation requiring a fire alarm system contractor 25 to obtain a fire alarm contractor license from the municipality or county. However, a municipality or county or the state may require a 26 fire alarm system contractor to obtain a permit and pay a fee for the 27 installation of a fire alarm system and require the installation of 28 29 such systems to conform with the building code, fire code, local 30 amendments, or other construction requirements of the municipality or county, but may not impose financial responsibility requirements other 31 32 than proof of a valid license.
- 33 <u>NEW SECTION.</u> **Sec. 3.** EXEMPTIONS FROM CHAPTER. This chapter does 34 not apply to:
- 35 (1) United States, state, and local government employees; building 36 officials, fire marshals, or fire inspectors; or insurance inspectors 37 when acting in their official capacities;

- 1 (2) A person or organization acting under court order;
- 2 (3) A person or organization that sells or supplies products or 3 materials to a licensed fire alarm system contractor;
- 4 (4) A registered professional fire protection engineer acting 5 solely in a professional capacity; or
- 6 (5) An owner or occupant of a single-family residence performing 7 his or her own installation in that residence.
- 8 <u>NEW SECTION.</u> **Sec. 4.** STATE DIRECTOR OF FIRE PROTECTION--DUTIES.
- 9 (1) This chapter shall be administered by the state director of fire 10 protection.
- 11 (2) The state director of fire protection has the authority and the 12 duty to establish necessary rules for:
 - (a) The administration and enforcement of this chapter;
- (b) Setting reasonable fees for licenses, certificates, testing, plan review, inspection, and other aspects necessary for the administration of this chapter;
- 17 (c) Conducting investigations of complaints to determine if any 18 infractions of this chapter or the regulations developed under this 19 chapter have occurred;
- 20 (d) Working with the fire alarm advisory board consisting of fire 21 alarm system contractors and other related officials;
- (e) Assigning a certificate number to each certificate of competency holder; and
- (f) Adopting rules necessary to implement and administer a program which requires the affixation of a seal any time a fire alarm system is designed, installed, maintained, inspected, or tested. The seal shall include the certificate number of the certificate of competency holder who, in whole or in part, designed, installed, maintained, inspected,
- 29 or tested the fire alarm system.

- NEW SECTION. Sec. 5. CONTRACTOR LICENSE. (1) To become a licensed fire alarm system contractor under this chapter, a person or
- 32 firm must comply with the following requirements of the state director
- 33 of fire protection. The contractor shall:
- 34 (a) Be or have in his or her full-time employ a holder of a valid 35 certificate of competency;
- 36 (b) Comply with the minimum insurance requirements of this chapter;

p. 5 SB 5879

- 1 (c) Make application to the state director of fire protection for 2 a license and pay the fees required;
 - (d) Show evidence of the required bond being held;

- 4 (e) Post each license issued under this chapter in a conspicuous 5 place in the fire alarm system contractor's place of business; and
- 6 (f) Prominently display the license number on all bids, 7 advertisements, proposals, offers, and installation drawings for fire 8 alarm systems.
- 9 (2)(a) If the certificate of competency holder leaves the 10 employment of the fire alarm system contractor, the contractor shall 11 notify the state director of fire protection within thirty days.
- 12 (b) If the certificate of competency holder leaves the employment 13 of the fire alarm system contractor, the contractor has thirty days to 14 submit a new application identifying another certificate of competency 15 holder. If an application is not received and a new license issued, 16 the state director of fire protection shall revoke the license of the 17 fire alarm system contractor.
- (3)(a) All licensed fire alarm system contractors shall annually, on dates and for an amount established by rule, secure from the state director of fire protection a renewal license upon payment of a fee. Application for renewal shall be upon a form prescribed by the state director of fire protection and the license holder shall furnish the information required by the director.
- (b) Failure of any license holder to secure a renewal license within sixty days after the due date is sufficient cause for the state director of fire protection to suspend the license.
- (c) The state director of fire protection may, upon the receipt of payment of all delinquent fees including a late charge, restore a license that has been suspended for failure to pay the renewal fee.
- 30 Sec. 6. ACTIONS AGAINST FIRE ALARM SYSTEM NEW SECTION. CONTRACTORS--GROUNDS--APPEAL. director of 31 (1) The state 32 protection may refuse to issue or renew or may suspend or revoke the privilege of a licensed fire alarm system contractor to engage in the 33 34 fire alarm system business or, in lieu thereof, impose monetary penalties as adopted by rule for any of the following reasons: 35
- 36 (a) Gross incompetence or gross negligence in the preparation of 37 technical drawings, design, sale, construction, installation, repair,

inspection, testing, maintenance, addition, alteration, modification,
servicing of a fire alarm system or its parts or related equipment;

(b) Conviction of a felony;

3

33

34

3536

3738

- 4 (c) Fraudulent or dishonest practices while engaging in the fire 5 alarm system business;
- 6 (d) Use of false evidence or misrepresentation in an application 7 for a fire alarm system contractor's license;
- 8 (e) Permitting his or her license to be used in connection with the 9 preparation of any technical drawings which have not been prepared by 10 him or her personally or under his or her immediate supervision or in 11 violation of this chapter; or
- 12 (f) Knowingly violating this chapter or a rule adopted under this 13 chapter.
- 14 (2) The state director of fire protection shall permanently revoke 15 the license of a fire alarm system contractor who engages in the fire 16 alarm system business while suspended.
- 17 (3) The state director of fire protection has the power, in case of serious noncompliance with this chapter, to revoke or suspend for a 18 19 period determined by the director any fire alarm system contractor's license issued under this chapter. 20 The state director of fire protection shall notify the fire alarm system contractor by certified 21 mail. A revocation or suspension is effective twenty days after the 22 holder receives the notice. An appeal may be filed within twenty days 23 24 after notice of the revocation or suspension is given by certified mail 25 sent to the address of the holder of the fire alarm system contractor's 26 license as shown on the application for the fire alarm system contractor's license, and shall be effected by filing a written notice 27 of appeal with the state director of fire protection. The hearing 28 29 shall be conducted in accordance with chapter 34.05 RCW.
- NEW SECTION. Sec. 7. CERTIFICATE OF COMPETENCY HOLDER. (1) Every applicant for a certificate of competency shall fulfill the requirements established by the state director of fire protection.
 - (2) To become a certificate of competency holder under this chapter, an applicant must have successfully passed an examination administered by the state director of fire protection. A certificate of competency holder can satisfy this examination requirement by presenting a copy of his or her current certificate from the national institute for certification in engineering technologies showing that

p. 7 SB 5879

- the applicant has achieved the classification of fire alarm systems technician level 2. This examination requirement is mandatory except as otherwise provided in this chapter.
- 4 (3) All bids, advertisements, proposals, offers, installation 5 drawings, final acceptance test forms, and inspection or testing forms 6 for fire alarm systems must prominently display the fire alarm system 7 contractor's certificate of competency holder's stamp.
- 8 (4) The fire alarm certificate of competency holder shall at all times carry an identification card containing identifying information as prescribed by the state director of fire protection and shall be produced on demand by a state, city, or county fire official. The state director of fire protection shall supply this card at a fee which is related to the cost of producing the card.
- 14 (5) The fire alarm system contractor's certificate of competency 15 holder must be present during the final acceptance tests of fire alarm 16 systems designed by the holder.
- 17 (6) The initial certificate of competency or license fee shall be 18 prorated based upon the portion of the year the certificate of 19 competency or license is in effect, prior to renewal on January 1st.
- 20 (7) In no case shall a certificate of competency holder be employed 21 full time by more than one fire alarm system contractor.
- 22 (8) If the certificate of competency holder leaves the employment 23 of the fire alarm system contractor, the certificate of competency 24 holder shall notify the state director of fire protection within thirty 25 days.
- 26 (9) A certificate of competency or license issued under this 27 chapter is not transferable.
- (10) All certificate of competency holders shall annually, on dates and for an amount established by rule, secure from the state director of fire protection a renewal certificate of competency upon payment of a fee. Application for renewal shall be upon a form prescribed by the state director of fire protection and the certificate holder shall furnish the information required by the director.
- 34 (11) Failure of any certificate of competency holder to secure a 35 renewal certificate of competency within sixty days after the due date 36 is sufficient cause for the state director of fire protection to 37 suspend the certificate of competency.
- 38 (12) The state director of fire protection may, upon the receipt of 39 payment of all delinquent fees including a late charge, restore a

- 1 certificate of competency that has been suspended for failure to pay
- 2 the renewal fee.
- 3 <u>NEW SECTION.</u> **Sec. 8.** EXCEPTION TO THE REQUIRED CERTIFICATE OF
- 4 COMPETENCY PERSONAL. For one year after the effective date of this
- 5 section a company may list at least one individual attempting to
- 6 qualify for a certificate of competency. An individual has one year to
- 7 obtain this certificate and comply with this chapter. If after one
- 8 year the company is unable to provide for the requirement of
- 9 certificate of competency holder, all operations pertaining to the
- 10 installation of fire alarm system contracting shall cease.
- 11 <u>NEW SECTION.</u> **Sec. 9.** VOLUNTARY RELINQUISHMENT OF CERTIFICATE OF
- 12 COMPETENCY. A certificate of competency holder may voluntarily
- 13 surrender the certificate of competency to the state director of fire
- 14 protection and be relieved of the annual renewal fee. After
- 15 surrendering the certificate of competency, he or she may not be known
- 16 as a certificate of competency holder and shall cease operations.
- 17 Within two years from the time of surrender of the certificate of
- 18 competency, he or she may qualify for a certificate of competency,
- 19 without examination, by the payment of the required fee. If two or
- 20 more years have elapsed, he or she must apply as a new applicant.
- 21 <u>NEW SECTION.</u> **Sec. 10.** ACTIONS AGAINST CERTIFICATE OF COMPETENCY
- 22 HOLDER--GROUNDS--APPEAL. (1) The state director of fire protection may
- 23 refuse to issue or renew or may suspend or revoke the privilege of a
- 24 fire alarm certificate of competency holder to engage in the fire alarm
- 25 system business or, in lieu thereof, impose monetary penalties as
- 26 adopted by rule for any of the following reasons:
- 27 (a) Gross incompetence or gross negligence in the preparation of
- 28 technical drawings, design, sale, construction, installation, repair,
- 29 inspection, testing, maintenance, addition, alteration, modification,
- 30 or servicing of a fire alarm system or its parts or related equipment;
- 31 (b) Conviction of a felony;
- 32 (c) Fraudulent or dishonest practices while engaging in the fire
- 33 alarm system business;
- 34 (d) Use of false evidence or misrepresentation in an application
- 35 for a license or certificate of competency;

p. 9 SB 5879

- 1 (e) Permitting his or her license to be used in connection with the 2 preparation of any technical drawings which have not been prepared by 3 him or her personally or under his or her immediate supervision or in 4 violation of this chapter; or
- 5 (f) Knowingly violating this chapter or a rule adopted under this 6 chapter.
- 7 (2) The state director of fire protection shall permanently revoke 8 the license of a certificate of competency holder who engages in the 9 fire alarm system business while the certificate of competency is 10 suspended.
- (3) The state director of fire protection has the power, in case of 11 serious noncompliance with this chapter, to revoke or suspend for a 12 13 period determined by the director any fire alarm certificate of competency issued under this chapter. The state director of fire 14 15 protection shall notify the certificate of competency holder by 16 certified mail. A revocation or suspension is effective twenty days 17 after the holder receives the notice. Any revocation or suspension is subject to review by an appeal to the board. The filing of an appeal 18 19 stays the effect of a revocation or suspension until the board makes 20 its decision. The appeal shall be filed within twenty days after notice of the revocation or suspension is given by certified mail sent 21 to the address of the holder of the license or certificate as shown on 22 the application for the license or certificate of competency holder, 23 24 and shall be effected by filing a written notice of appeal with the 25 state director of fire protection, accompanied by a certified check for two hundred dollars, which shall be returned to the holder of the 26 27 license or certificate of competency if the decision of the agency is not sustained by the board. The hearing shall be conducted in 28 accordance with chapter 34.05 RCW. 29
- 30 <u>NEW SECTION.</u> **Sec. 11.** CERTIFIED FIRE ALARM SYSTEM TECHNICIAN.
- 31 (1) Every applicant for certification as a fire alarm system technician
 32 shall fulfill the requirements established by the state director of
- 32 shall fulfill the requirements established by the state director of
- 33 fire protection.
- 34 (2) To become a certified fire alarm system technician under this
- 35 chapter, an applicant must have satisfactorily passed an examination
- 36 administered by the state director of fire protection. A fire alarm
- 37 system technician can satisfy the examination requirement by presenting
- 38 a copy of his or her current certificate from the national institute

1 for certification in engineering technologies showing that the 2 applicant has achieved the classification of fire alarm systems 3 technician level 2. This examination requirement is mandatory except 4 as otherwise provided in this chapter.

5

6 7

8

9

10

13 14

15

16

17

18 19

24

25

26

27

- (3) The certified fire alarm system technician shall at all times carry an identification card containing identifying information as prescribed by the state director of fire protection and shall be produced on demand by a state, city, or county fire official. The state director of fire protection shall supply this card at a fee which is related to the cost of producing the card.
- 11 (4) A fire alarm system technician certification issued under this 12 chapter is not transferable.
 - (5) All certified fire alarm system technicians that desire to continue shall annually, on dates and for an amount established by rule, secure from the state director of fire protection a renewal fire alarm system technician certificate upon payment of a fee. Application for renewal shall be upon a form prescribed by the state director of fire protection and the certificate holder shall furnish the information required by the director.
- (6) Failure of any fire alarm system technician certificate holder to secure a renewal certificate of competency within sixty days after the due date is sufficient cause for the state director of fire protection to suspend the fire alarm system technician certificate.
 - (7) The state director of fire protection may, upon the receipt of payment of all delinquent fees including a late charge, restore a fire alarm system technician certificate that has been suspended for failure to pay the renewal fee.
- (8) For one year after the effective date of this section a company may list individuals attempting to qualify for a fire alarm system technician certificate with the director of fire protection. These individuals have one year to obtain this certificate and comply with this chapter.
- NEW SECTION. Sec. 12. VOLUNTARY RELINQUISHMENT OF FIRE ALARM SYSTEM TECHNICIAN CERTIFICATE. A fire alarm system technician certificate holder may voluntarily surrender a fire alarm system technician certificate to the state director of fire protection and be relieved of the annual renewal fee. After surrendering the fire alarm system technician certificate, he or she may not be known as a

p. 11 SB 5879

- certified fire alarm system technician and shall cease operations.
- Within two years from the time of surrender of the fire alarm system 2
- technician certificate, he or she may qualify for a fire alarm system 3
- technician certificate, without examination, by the payment of the 4
- 5 required fee. If two or more years have elapsed, he or she must apply
- as a new applicant. 6
- 7 NEW SECTION. Sec. 13. FIRE ALARM SYSTEM TECHNICIAN CERTIFICATE
- HOLDER--GROUNDS--APPEAL. (1) The state director of fire protection may 8
- 9 refuse to issue or renew or may suspend or revoke the privilege of a
- fire alarm system technician certificate holder to engage in the fire 10
- alarm system business or, in lieu thereof, impose monetary penalties as 11
- 12 adopted by rule for any of the following reasons:
- (a) Gross incompetence or gross negligence in the construction, 13
- 14 installation, repair, inspection, testing, maintenance, addition,
- 15 alteration, modification, or servicing of a fire alarm system or its
- parts or related equipment; 16
- (b) Conviction of a felony; 17
- 18 (c) Fraudulent or dishonest practices while engaging in the fire
- 19 alarm system business;
- (d) Use of false evidence or misrepresentation in an application 20
- 21 for a license or fire alarm system technician certificate; or
- 22 (e) Knowingly violating this chapter or a rule adopted under this
- 23 chapter.

- 24 (2) The state director of fire protection shall permanently revoke
- 25 the certificate of a fire alarm system technician who engages in the
- 26 fire alarm system business while the fire alarm system technician
- certificate is suspended. 27
- (3) The state director of fire protection has the power, in case of 28
- 29 serious noncompliance with this chapter, to revoke or suspend for a
- period determined by the director any fire alarm system technician 30
- certificate issued under this chapter. The state director of fire
- protection shall notify the fire alarm system technician certificate 32
- holder by certified mail. A revocation or suspension is effective 33
- 34 twenty days after the holder receives the notice. Any revocation or
- suspension is subject to review by an appeal to the board. The filing 35
- 36 of an appeal stays the effect of a revocation or suspension until the
- board makes its decision. The appeal shall be filed within twenty days 37
- after notice of the revocation or suspension is given by certified mail 38

sent to the address of the holder of the license or certificate as shown on the application for the license or fire alarm system 2 technician certificate, and shall be effected by filing a written 3 4 notice of appeal with the state director of fire protection, accompanied by a certified check for two hundred dollars, which shall 5 be returned to the holder of the license or fire alarm system 6 7 technician certificate if the decision of the agency is not sustained 8 by the board. The hearing shall be conducted in accordance with 9 chapter 34.05 RCW.

10 NEW SECTION. Sec. 14. FIRE ALARM SYSTEM CONTRACTOR'S LICENSE FUND 11 CREATED. The fire alarm system contractor's license fund is created in 12 the custody of the state treasurer. All receipts from license and certificate fees and charges or from the money generated by the rules 13 14 and local regulations adopted under this chapter shall be deposited 15 into the fund. Expenditures from the fund may be used only for purposes authorized under this chapter. Only the state director of 16 fire protection, or the director's designee, may authorize expenditures 17 18 from the fund. The fund is subject to allotment procedures under 19 chapter 43.88 RCW, but no appropriation is required for expenditures.

20 NEW SECTION. Sec. 15. LOCAL GOVERNMENT REGULATION -- APPLICATION TO STATE AND GOVERNMENT CONTRACTORS. (1) This chapter does not limit the 21 22 power of a municipality, county, or the state to regulate the quality 23 and character of work performed by contractors through a system of 24 permits, fees, and inspections that are designed to assure compliance 25 with and aid in the implementation of state and local building laws or 26 to enforce other local laws for the protection of the public health and 27 safety. This chapter does not limit the power of the municipality, 28 county, or the state to adopt any system of permits requiring 29 submission for approval by the municipality, county, or the state of technical drawings and specifications for work to be performed by 30 contractors before commencement of the work. The official authorized 31 32 to issue approval must require evidence of a valid fire alarm system 33 contractor's license.

(2) This chapter applies to any fire alarm system contractor performing work for any municipality, county, or the state. Officials of any municipality, county, or the state are required to determine compliance with this chapter before awarding any contracts for the

34

35

3637

p. 13 SB 5879

- 1 installation, repair, service, alteration, fabrication, addition, or
- 2 inspection of a fire alarm system.

24

25

26

27

- 3 NEW SECTION. Sec. 16. SURETY BOND--SECURITY DEPOSIT--VENUE AND TIME LIMIT FOR ACTIONS UPON BONDS--LIMIT OF LIABILITY OF SURETY--4 PAYMENT OF CLAIMS. (1) Before granting a license under this chapter, 5 the director of fire protection shall require that the applicant file 6 7 with the state director of fire protection a surety bond issued by a surety insurer who meets the requirements of chapter 48.28 RCW in a 8 9 form acceptable to the director of fire protection running to the state 10 of Washington in the penal sum of four thousand dollars. 11 shall be conditioned that the applicant will pay all purchasers of fire 12 alarm systems with whom the applicant has a contract for the applicant to install, inspect, maintain, or service a fire alarm system, and who 13 14 have obtained a judgment against the applicant for the breach of such 15 a contract. The term "purchaser" means an owner of property who has 16 entered into a contract for the installation of a fire alarm system on that property, or a contractor who contracts to install, inspect, 17 18 maintain, or service such a system with an owner of property and 19 subcontracts the work to the applicant. No other person, including, but not limited to, persons who supply labor, materials, or rental 20 equipment to the applicant, has any rights against the bond. 21
 - (2) In lieu of the surety bond required by this section the applicant may file with the director of fire protection a deposit consisting of cash or other security acceptable to the director of fire protection in an amount equal to the penal sum to the required bond. The director of fire protection may adopt rules necessary for the proper administration of the security.
- (3) Before granting renewal of a fire alarm system contractor's license to any applicant, the director of fire protection shall require that the applicant file with the director satisfactory evidence that the surety bond or cash deposit is in full force.
- (4) Any purchaser of a fire alarm system having a claim against the license for the breach of a contract for the licensee to install, inspect, maintain, or service a fire alarm system may bring suit upon such bond in superior court of the county in which the work was done or of any county in which jurisdiction of the license may be had. Any such action must be brought not later than one year after the

expiration of the licensee's license or renewal license then in effect at the time of the alleged breach of contract.

1 2

3 4

5

6 7

8

9

10

11

12

22

2324

25

26

27

28 29

- (5) The bond shall be considered one continuous obligation, and the surety upon the bond shall not be liable in aggregate or cumulative amount exceeding four thousand dollars regardless of the number of years the bond is in effect, or whether it is reinstated, renewed, reissued, or otherwise continued, and regardless of the year in which any claim accrued. The bond shall not be liable for any liability of the licensee for tortuous acts, whether or not such liability is imposed by statute or common law, or is imposed by contract. The bond shall not be a substitute or supplemental to any liability or other insurance required by law or by the contract.
- 13 (6) If the surety desires to make payment without awaiting court 14 action against it, the amount of the bond shall be reduced to the 15 extent of any payment made by the surety in good faith under the bond. 16 Any payment shall be based on final judgments received by the surety.
- 17 (7) Claims against the bond shall be satisfied from the bond in the 18 following order:
- 19 (a) Claims by a purchase of a fire alarm system for the breach of 20 a contract for the licensee to install, inspect, maintain, or service 21 a fire alarm system;
 - (b) Any court costs, interest, and attorneys' fees the plaintiff may be entitled to recover by contract, statute, or court rule. A condition precedent to the surety being liable to any claimant is a final judgment against the licensee, unless the surety desires to make payment without awaiting court action. In the event of a dispute regarding the apportionment of the bond proceeds among claimants, the surety may bring an action for interpleader against all claimants upon the bond.
- 30 (8) Any purchaser of a fire alarm system having an unsatisfied final judgment against the licensee for the breach of a contract for 31 the licensee to install, inspect, maintain, or service a fire alarm 32 33 system may execute upon the security held by the director of fire protection by serving a certified copy of the unsatisfied final 34 35 judgment by registered or certified mail upon the director within one year of the date of entry of such judgment. Upon the receipt of 36 37 service of such certified copy, the director shall pay or order paid from the deposit, through the registry of the court which rendered 38 39 judgment, towards the amount of the unsatisfied judgment. The priority

p. 15 SB 5879

- 1 of payment by the director shall be the order of receipt by the
- 2 director, but the director shall have no liability for payment in
- 3 excess of the amount of the deposit.
- 4 <u>NEW SECTION.</u> **Sec. 17.** UNLICENSED OPERATIONS--PENALTY. Any person
- 5 who offers to contract for the preparation of technical drawings, sale,
- 6 installation, repair, construction, inspection, testing, maintenance,
- 7 addition, alteration, design, modification, or servicing of a fire
- 8 alarm system or its parts or related equipment in any occupancy, except
- 9 an owner-occupied single-family dwelling, without first obtaining a
- 10 fire alarm system contractor's license from the state of Washington, is
- 11 guilty of a civil offense. This section does not create any criminal
- 12 liability for a prime contractor or an owner of an occupancy unless it
- 13 is proved that the prime contractor or owner had actual knowledge of an
- 14 illegal construction, installation, or maintenance of a fire alarm
- 15 system by a fire alarm system contractor.
- 16 <u>NEW SECTION.</u> **Sec. 18.** ENFORCEMENT--CIVIL PROCEEDINGS. Civil
- 17 proceedings to enforce this chapter may be brought by the attorney
- 18 general or the prosecuting attorney of any county where a violation
- 19 occurs on his or her own motion or at the request of the state director
- 20 of fire protection.
- 21 <u>NEW SECTION.</u> **Sec. 19.** PROSPECTIVE APPLICATION. This chapter
- 22 applies prospectively only and not retroactively. A municipal or
- 23 county order, ordinance, rule, or regulation that is in effect on the
- 24 effective date of this section is not invalid because of the provisions
- 25 of this chapter. This chapter does not prohibit municipalities or
- 26 counties from adopting stricter guidelines that will assure the proper
- 27 installation of fire alarm systems within their jurisdictions.
- NEW SECTION. Sec. 20. SEVERABILITY. If any provision of this act
- 29 or its application to any person or circumstance is held invalid, the
- 30 remainder of the act or the application of the provision to other
- 31 persons or circumstances is not affected.
- 32 <u>NEW SECTION.</u> **Sec. 21.** Captions used in this act are not any part
- 33 of the law.

- 1 <u>NEW SECTION.</u> **Sec. 22.** Sections 1 through 21 of this act
- 2 constitute a new chapter in Title 19 RCW.

--- END ---

p. 17 SB 5879